

Directive 104

**PROFESSIONAL FEES CHARGEABLE TO THE  
DEPARTMENT OF INSURANCE**

October 17, 1991

**SECTION ONE: GENERAL RULES**

All fees charged by any professional to the Department of Insurance or to any estate of any insurer under departmental supervision shall be charged in accordance with this regulation. All billings as hereinunder provided shall be subject to prior review and approval of the legal staff of the Department of Insurance.

A. All billings by professionals shall be in writing, on an hourly basis and only pursuant to written prior contract. The written billing shall include a concise statement concurrent with each hour or increment thereof billed explaining fully the subject matter which occupied the billing person's time for the increment billed. The billing shall be in such a format as to make each increment easily identifiable and fully explained.

B. The hourly rate of each person billing shall not exceed:

1. \$125.00 per hour for an attorney engaged in the practice of law for more than five (5) years;
2. \$100.00 per hour for an attorney engaged in the practice of law between two (2) and five (5) years;
3. \$75.00 per hour for an attorney engaged in the practice of law for less than two (2) years;
4. \$45.00 per hour for paralegal assistance;
5. \$15.00 per hour for law clerk assistance;
6. Any other rate stipulated to by written contract;
7. Any lower rate ordered and/or approved by a court having competent jurisdiction thereover.

C. The hourly billing under this regulation shall be limited to the amounts and types of individuals specified hereinabove. Any and all other types of assistance shall not be chargeable without prior written approval.

## LOUISIANA REGULATIONS

D. Any charge billed for travel time shall be chargeable at a maximum charge equal to one-half ( $\frac{1}{2}$ ) of the amount stipulated as the hourly rate and shall not be chargeable under any circumstances unless the travel time involved equals or exceeds one (1) hour and the distance travelled exceeds fifty (50) miles.

E. When an hourly charge is presented for the appearance at any meeting, hearing or otherwise, of more than one professional, attorney, paralegal and/or law clerk, the billing therefore shall include a separate and concise explanation of the reason that the attendance of more than one attorney, paralegal and/or law clerk was required at such appearance. Such an explanation shall apply to similar situations in which travel time is charged.

F. No two (2) professionals shall bill for the same subject matter under the same contract unless the billing is explained in a concise, written statement setting forth the reasons that the attention of both was required.

G. Should the billing professional believe that any explanation, other than the listing required in Subparagraph A hereinabove, should remain confidential and not part of the public record, any such explanation required pursuant this regulation shall be submitted on a page separate from the Subparagraph A listing and shall be clearly designated by the professional as "confidential." Any such document so marked shall be placed in a confidential, non-public record file for the pendency of the proceeding in which it is submitted. The foremost reasons for which such a document shall remain confidential is, but not limited to, the necessity to protect the confidentiality of litigation strategy and/or to protect the trade secrets of the company in question.

## SECTION TWO. EXPENSES

No professional shall bill the department or any estate of any insurer for any expenses incurred unless the billing thereof is expressly authorized pursuant to written contract.

A. The billing for expenses of a professional for any item shall be in writing and shall be accompanied by a written explanation of why the expense was incurred and by all receipts or other appropriate documentation. Any expense billing in excess of \$100.00 shall be accompanied by a separate written explanation of why the expense was incurred and justifying the necessity therefore. In the event that the identical expense is incurred by more than one professional on any given contract

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or estate, the billing therefore shall be accompanied by an additional justification for the necessity for more than one professional to incur the same expense.

B. In the event that explanations are not sufficient or omitted, the billing may be disallowed or, in the event of duplicate expending, prorated among the two (2) or more billings as though only one expense was incurred.

C. Normal and customary office expense shall not be directly compensable to the professional but shall be absorbed in the hourly rate charged by the professional. These normal and customary office expenses include, but are not limited to, office supplies, basic telephone charges, office utilities, secretarial expense and copy expense when the documents copied number less than fifty (50) pages. In the event that the number of pages copied exceeds fifty (50) the professional may charge an amount equal to the smaller of the actual copy expense charged by a professional copying establishment or five cents (\$0.05) per page copied.

#### SECTION THREE. WORK PRODUCT

A. When a professional submits a bill pursuant to this regulation for any increment of time utilized in the production or creation of a tangible work product, such as a document, the billing therefore shall be accompanied by a copy of such document.

B. The failure to submit the accompanying document shall result in the disallowance of the increment of time billed.

C. The documents submitted shall be designated as either "confidential" or "non-confidential" by the professional submitting the same and shall become part of the public or confidential record of the proceeding according to said designation.

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COMMISSIONER OF INSURANCE